MAUNE RAICHLE HARTLEY FRENCH & MUDD, LLC

Clayton L. Thompson, Esq. cthompson@mrhfmlaw.com Suzanne M. Ratcliffe, Esq. sratcliffe@mrhfmlaw.com 150 West 30<sup>th</sup> Street, Suite 201 New York, NY 10001 Tel: (800) 358-5922

Counsel for Mesothelioma Plaintiff Katherine Tollefson and Certain Mesothelioma Plaintiffs

## IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF NEW JERSEY

In re:	)
	) Chapter 11
LTL MANAGEMENT LLC,	)
	) Adv. Pro. Case 23-01092-MBK
Debtor.	)

MRHFM'S OBJECTION TO DEBTOR'S MOTION FOR A BRIDGE ORDER CONFIRMING THE AUTOMATIC STAY APPLIES TO CERTAIN ACTIONS ASSERTED AGAINST AFFILIATES OR TEMPORARILY EXTENDING THE STAY AND PRELIMINARY INJUNCTION TO SUCH ACTIONS PENDING A FINAL HEARING ON THE REQUESTED RELIEF

Bad faith Two Step debtors are adept at playing the victim no matter the circumstance. Several cancer plaintiffs sued non-debtor Johnson & Johnson affiliates Janssen and Kenvue ("Affiliates") in New Jersey state court. The New Jersey state court judge denied the Affiliates' motion to dismiss applying New Jersey law and ordered

"apex depositions" of Kenvue's and Janssen's executives. *See* Debtor Letter, 6/1/23, pgs. 1-2, Adv. Pro. Dkt. 153.

As set forth in Mr. Placitella's submission (Adv. Pro. Dkt. 151), which MRHFM joins (as well as the TCC's Objection, Dkt. 157), the Debtor's bridge motion concerns state law discovery issues that have either been decided, or are currently in the process of being decided, by the New Jersey judge (Hon. Ana C. Viscomi, J.S.C.). Indeed, the Debtor justifies its request to shorten time because it anticipates Judge Viscomi "may imminently issue an order requiring the commencement of discovery." Dkt. 151.

So what? The Debtor's illusory justifications to impose the bridge order do not warrant the extraordinary relief accorded here, especially on such short notice. This Court's preliminary injunction order neither enjoined nor restrained parties from commencing or proceeding with discovery or other pretrial matters against protected parties, including Johnson & Johnson, outside of bankruptcy. So, even if Janssen and Kenvue were accorded Protected Party status under the preliminary injunction—and they have not been—the plaintiffs are free to proceed with any discovery permitted by Judge Viscomi.

In a show of typical hypocrisy, the Debtor complains of the "unnecessary and abusive discovery contemplated" by the plaintiffs in these New Jersey actions. *Id.*, pg. 8. All while LTL moves to compel several plaintiff's firms to provide irrelevant information

Case 23-01092-MBK Doc 158 Filed 06/02/23 Entered 06/02/23 00:44:01 Desc Main Document Page 3 of 4

in this case. The Debtor says it's "imperative" for this Court to disregard Judge Viscomi's rulings—and do so on 36 hours' notice—to stop the discovery of the non-debtor Affiliates. *See* Debtor Mot., pgs. 6-7, Adv. Pro. Dkt. 147-1. *See* Debtor Mot. Compel, Dkt. 638-1.<sup>1</sup>

The Debtor is wrong. Discovery and litigation against non-debtor Affiliates are permitted under this Court's preliminary injunction ruling. And, as the TCC notes (Dkt. 152), the Court has scheduled a hearing on the continuation of the preliminary injunction for June 13, 2023. *Id.* These issues can be addressed then, or not at all.

Respectfully submitted:

MAUNE RAICHLE HARTLEY FRENCH & MUDD, LLC

\_\_\_\_

Clayton L. Thompson, Esq.

MAUNE RAICHLE HARTLEY

\_\_\_\_

<sup>&</sup>lt;sup>1</sup> Yes, the Debtor's financial distress is relevant to the motion to dismiss. Yes, the fact that LTL can pay all claims in full inside or outside of bankruptcy is relevant to the motion to dismiss. Yes, the fact that LTL can't say what its total liabilities are as of April 4th is relevant to the motion to dismiss. Here's what's *not* relevant: what some plaintiff's lawyers think the Debtor's total liabilities are. Total liability is an irrelevant fiction in a bogus billionaire "bankruptcy" like this one. Estimating total liabilities is done out of necessity when there is a concern about paying different types of creditors fairly from a limited pool of assets. That's not this case.

Case 23-01092-MBK Doc 158 Filed 06/02/23 Entered 06/02/23 00:44:01 Desc Main Document Page 4 of 4

## FRENCH & MUDD, LLC

150 W. 30<sup>th</sup> Street, Suite 201 New York, NY 10001 (800) 358-5922 cthompson@mrhmflaw.com